



CUSTOMER RELATIONSHIP MANAGEMENT

*CRM . . . It's about the customer!*

# Defense Energy Support Center



## CRM Fundamentals Worldwide Energy Conference

September 29, 2004



# Agenda



CRM . . . It's about the customer!

- **What is CRM?**
  - *Why are we pursuing it?*
- **Customers' Perceptions of DLA/DESC**
  - *What problems are we trying to solve?*
- **CRM Vision**
  - *Where do we want to go?*
- **What's Been Done and What Happens Next?**
  - *Who will get what functionality when?*



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# DLA CRM Definition



CRM . . . It's about the customer!

**CRM is a customer-focused strategy using people, processes, and tools for setting and meeting mutual expectations that optimize national readiness at an affordable cost for both the customer and DLA.**



# How Is CRM Different From Customer Service?



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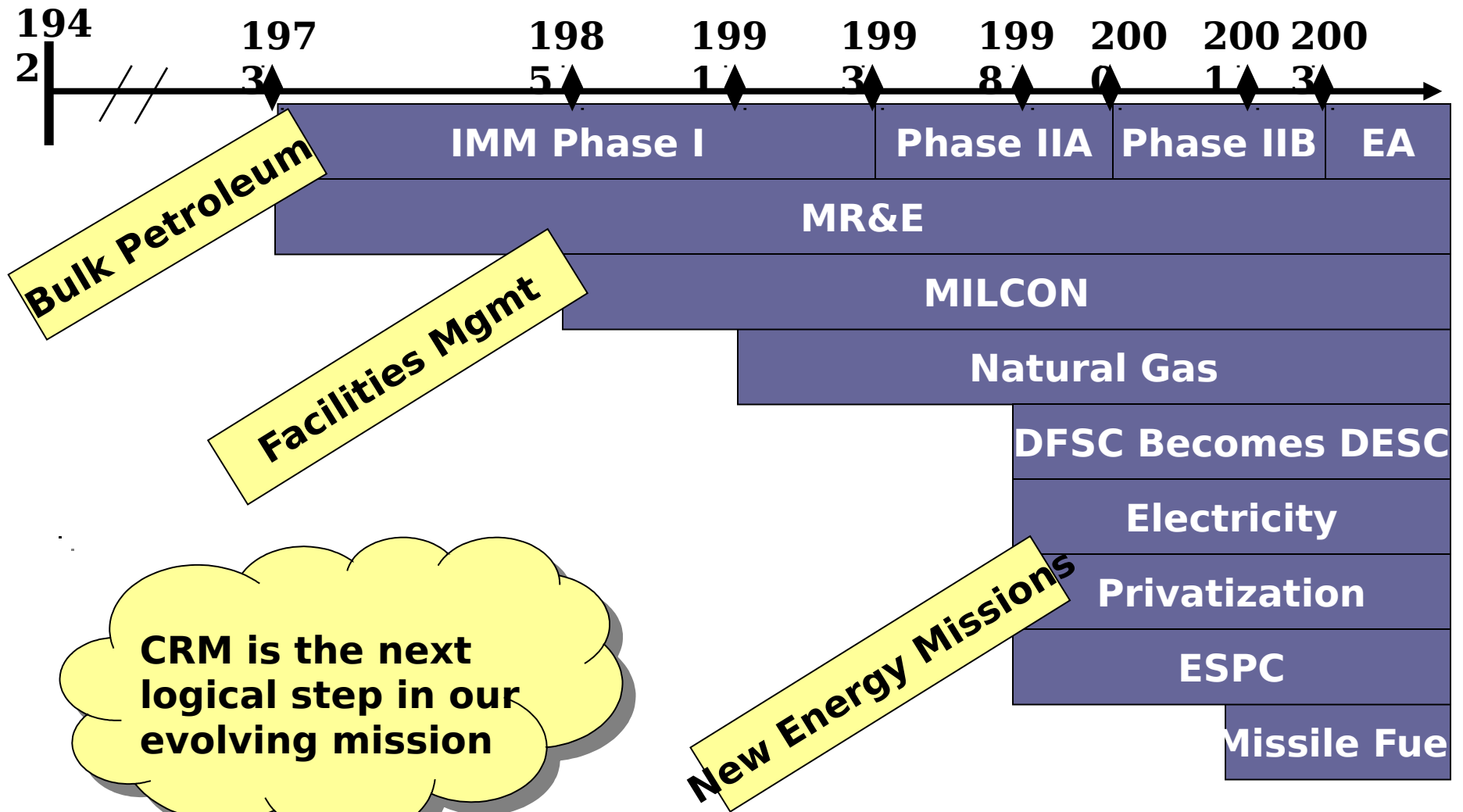
- **Customer Service:**
  - Focuses on the immediate situation
- **CRM:**
  - Goes beyond simple customer service behaviors
  - Means thinking about customers strategically
  - Attempts to anticipate the customer's needs rather than simply meeting the need at the moment
  - Addresses the entire customer relationship for the duration of the customer's interaction with the enterprise
  - Will foster stronger customer relationships



# DESC's Evolving Mission



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# **Reasons For DLA/DESC's Transition To A CRM Environment**

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- **To improve our customers' readiness**
- **To reduce customer costs**
- **To provide value across entire supply chain**
- **To improve customer relationships**
- **To fulfill our role as a combat support agency**
- **To present a single Enterprise face to the customer**



# Anticipated Benefits To Our Customers



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## Enhanced Readiness

- Needs will be better understood
- Will feel like a valued partner
- Tailored support to different customers with different needs
- Will receive timely and accurate reports on their key performance measures
- DLA will be a more responsive and accountable partner

**Customer = Warfighter + Other Partners**





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# Recurring Customer Themes

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- **You don't sufficiently understand my activity**
- **You are too hard to do business with...improve the interface**
- **Use technology to make things simpler for me**
- **Think ahead...Be proactive...Think long-term**

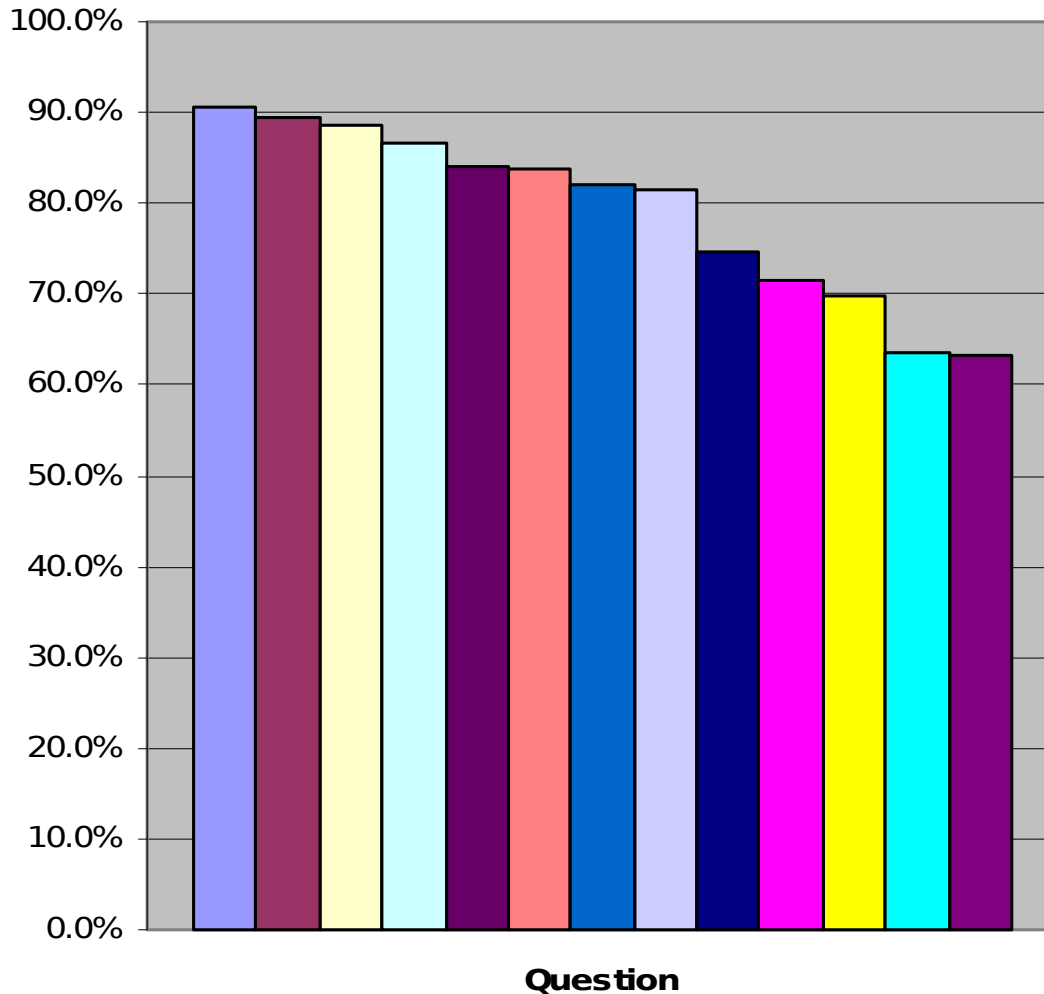


# DESC Customer Assessment Results (2003 - Cycle 16)



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Percentage of Respondents "Very Satisfied" or "Sat



- Overall Satisfaction with Products and Services
- Employees are Courteous on the Phone
- Provide Requested Products in a Time Frame That Meets My Needs
- Overall, My Phone Calls Are Handled Satisfactorily
- I Get My Questions Answered Over the Phone
- Required Products are Usually Available
- Provides Products at the Time Promised
- Personnel Provide Timely Resolution of My Problems
- Prices Are Competitive With Other Sources Of Supply
- Effectively Keeps Me Informed
- Call Transfers Are Held to a Minimum
- Messages I Leave on Voicemail are Usually Returned W/in 24 Hours
- Reaching the Right Person is Easy



# Major Areas Of DESC Customer Complaints

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- **Reaching the right person is not easy**
- **Voicemail messages are not returned within 24 hours**
- **Call transfers are not held to a minimum**
- **Customers do not feel sufficiently informed**



# What Problems Are We Trying To Solve?



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- **Lack of a disciplined customer engagement process**
- **Difficulty in gathering and sharing customer information**
- **Challenge of turning customer needs into product and service offerings**



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# CRM Directly Supports DLA/DESC's Balanced Scorecard Strategic Objectives



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- **Customer Strategy # 1: Engage Customers in a Structured Collaborative and Partnering Relationship**
- **Customer Strategy # 2: Translate Customer Needs into Integrated Logistics Solutions to Maximize Readiness and Combat Power**
- **Customer Strategy # 3: Deliver Promised Support Consistently**
- **Financial Strategy # 2: Minimize Total Supply Chain Costs**



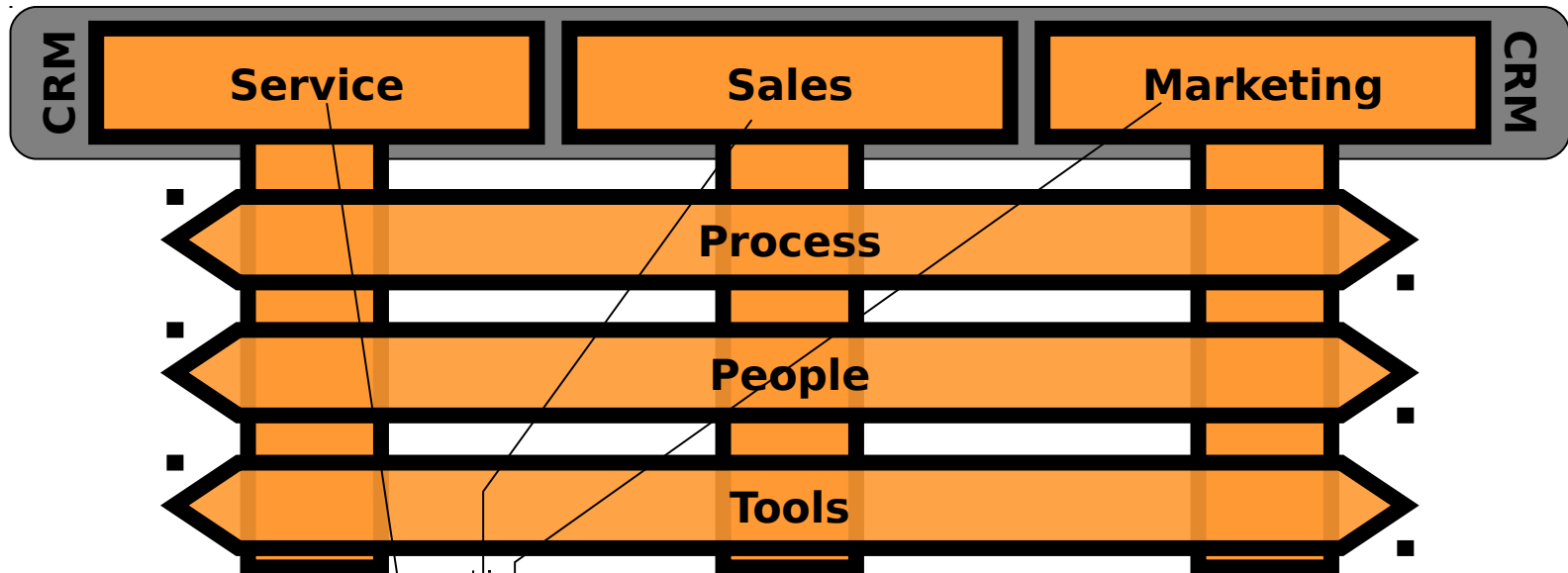
# Vision to Reality



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The execution of the CRM Vision is based upon the pillars of

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Service delivers on commitments and provides timely and effective issue resolution

Sales engages the customer regarding the readiness and business value of solutions

Marketing reaches out to understand customer needs and communicate capabilities

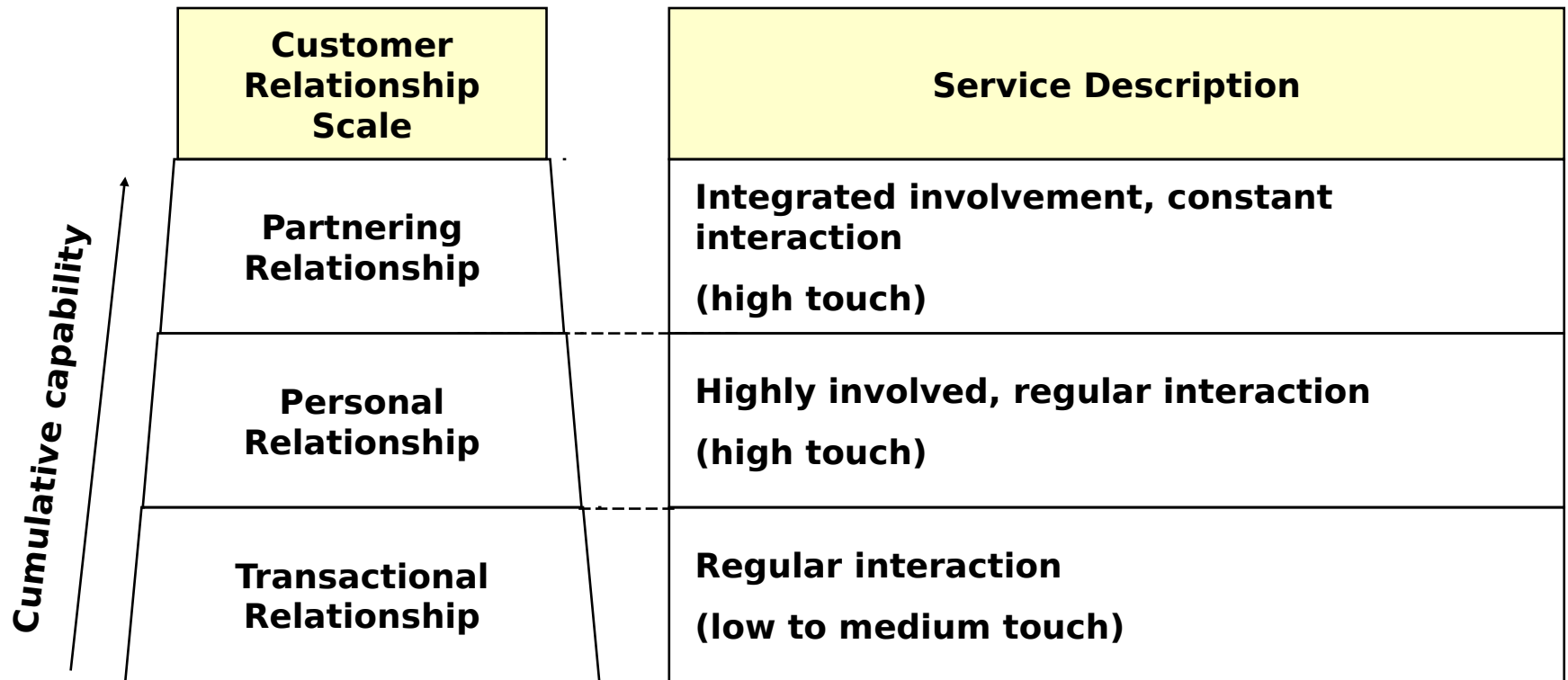




# Different Service Levels for Different Relationships



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Not every relationship requires the same level of service....

A relationship can stay at any level indefinitely



# Comprehensive Customer Definition

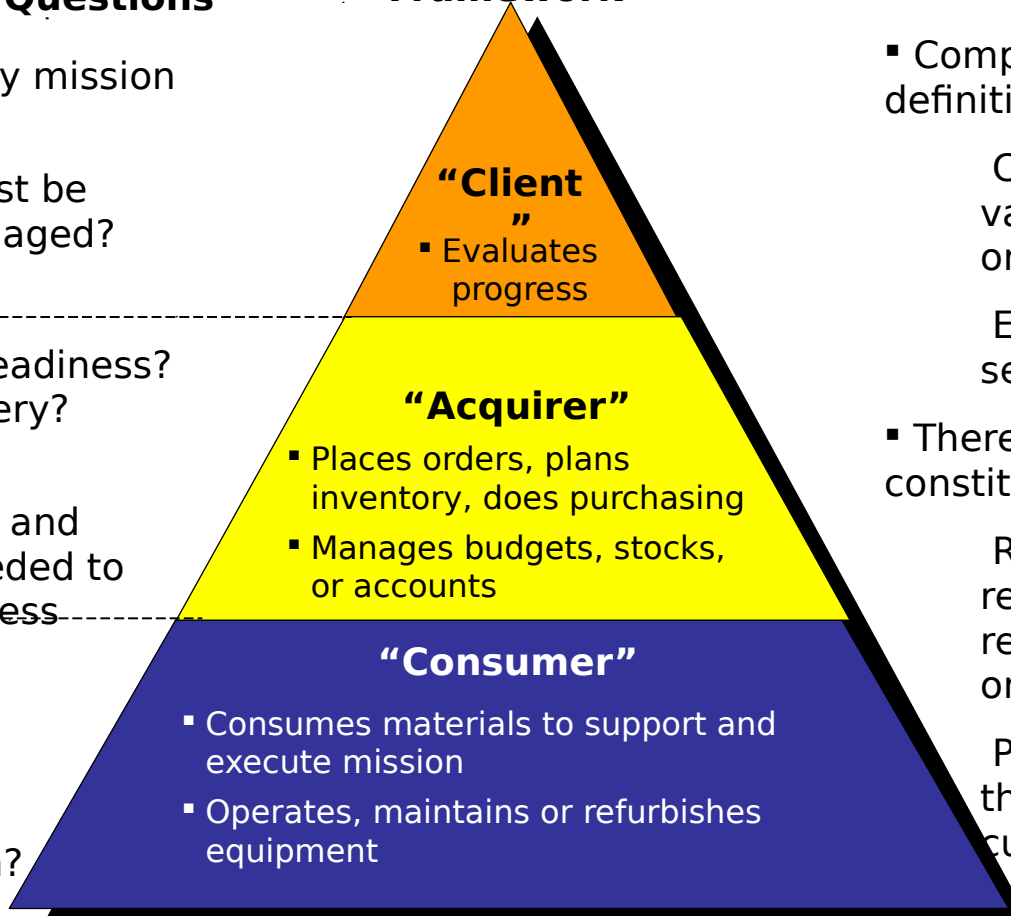


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## Key Questions

- What are the key mission requirements?
- What needs must be proactively managed? Which require collaboration?
- What impacts readiness? Products? Delivery? Status?
- What processes and controls are needed to maintain readiness levels?
- Which products are needed to meet requirements & execute mission?
- How are needs communicated?

## Notional CRM Framework



- Comprehensive customer definition

Customer functions exist at various levels throughout an organization

Each function has a unique set of needs and concerns

- There are a broad array of constituents

Recognizes different roles, responsibilities, and requirements throughout an organization

Provides visibility throughout the organization regarding customer needs



# Vision for CRM



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- **Develop the processes and skills to support service, sales, and marketing**
- **Create processes that support using and sharing knowledge across the Enterprise to focus on meeting customer needs**
- **Develop and maintain the market insights required to launch successful product and service offerings**
- **Enable CRM processes with tools to effectively manage customer relationships**



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# CRM Transition Plan Approach Approval



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**“On August 4 and 5, the Customer Operations and Readiness Directorate (J-4) held a CRM Summit with key leadership across the Enterprise to obtain concurrence on our CRM Strategy and Transition Plan. The approach entitled “CRM Light” will incrementally deliver CRM functionality and technology across the Enterprise simultaneously. I have endorsed both of these decisions and feel that CRM is a key pillar of our overall transformation efforts.**

**Next steps for the program include the requirements prioritization effort, building of a detailed transformation plan, and implementation of quick wins where possible.**

**I look forward to CRM enabling us to strengthen our relationships with our customers as we work together in achieving and sustaining readiness for the Warfighter.”**



# For more information: DLA's CRM Net



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CRMnet Home Page - Microsoft Internet Explorer provided by Defense Energy Support Center

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## Customer Relationship Management

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Last Updated: 04/20/04

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### WELCOME TO CRMNET!

CRMnet is your source for information about DLA's CRM implementation efforts. This website will provide you background information on CRM, an overview on the current efforts, its links to BSM and tools to help you communicate CRM within your organization.

Let CRMnet keep you updated on the latest news. [Find out more!](#)

#### SITE NAVIGATION

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# **For still more information: WWEC Hot Topics**



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## **CRM Program Status Report**

**Wednesday 29 September**

**2:00 - 2:50 pm**